

27 OCTOBER 2021

ASX ANNOUNCEMENT

ASX: EGR

Notice of Annual General Meeting

EcoGraf Limited (ACN 117 330 757) (“**EcoGraf**” or the “**Company**”) (ASX: **EGR**) is pleased to advise that the following documents were sent to shareholders today in relation to the Annual General Meeting of the Company to be held on Friday, 26 November 2021 at 10:00 am (AWST):

1. Notice of Meeting (including Explanatory Memorandum).
2. Proxy Form.
3. Letter to Shareholders (who have not elected to receive notices by email).

The past year has been transformational for the Company, as it positions to become the world’s first HF^{free} producer of battery anode material products to support the global transition to clean energy.

Shareholders are encouraged to actively participate in the Annual General Meeting, either in person or through submission of a proxy vote online or by form prior to the meeting in accordance with the instructions on the Proxy Form. The Company will hold a physical meeting with appropriate social distancing measures in place to comply with Federal and State Government restrictions on public gatherings. Should either Federal or State Government guidance provide that a physical meeting is inadvisable or not to be held, the Company will advise Shareholders prior to the date of the meeting via ASX announcement.

In accordance with the *Treasury Laws Amendment (2021 Measures No 1) Act 2021*, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting and Annual Report can be viewed and downloaded from the Company’s website at https://www.ecograf.com.au/investor_categories/announcements/.

After conducting a review this year, the directors have elected to implement a change as the Company’s activities expand and executive director Howard Rae will step-off the board at the close of the Annual General Meeting, but continue in his role as Chief Financial Officer, resulting in a majority of independent non-executive directors and providing more flexibility for the appointment of additional independent non-executive directors as the Company’s battery materials businesses are developed in Australia and overseas.

This announcement is authorised for release by Andrew Spinks, Managing Director.

For further information, please contact:

INVESTORS

Andrew Spinks
Managing Director
T: +61 8 6424 9002

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NOTICE OF ANNUAL GENERAL MEETING

ECOGRAF LIMITED
ACN 117 330 757

Notice is given that the Meeting will be held at:

- TIME:** 10:00 am (WST)
- DATE:** Friday, 26 November 2021
- PLACE:** The Celtic Club, 48 Ord Street, West Perth, Western Australia

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you have any questions regarding the matters in this document please do not hesitate to contact the Company via email at info@ecograf.com.au.



BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ROBERT PETT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Robert Pett, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1 – FEBRUARY 2021 PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 54,598,015 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the recipients of the Placement Shares) or any associates of those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1A – FEBRUARY 2021 PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 36,398,676 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the recipients of the Placement Shares) or any associates of those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (d) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (e) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTION 5 – EQUITY SETTLED SHORT-TERM INCENTIVE FOR THE YEAR ENDED 30 JUNE 2021 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – ANDREW SPINKS

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, in accordance with the Incentive Performance Rights Plan approved by Shareholders on 25 November 2020, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue

320,825 Performance Rights to Andrew Spinks (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Andrew Spinks (or his nominee)) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. RESOLUTION 6 – EQUITY SETTLED SHORT-TERM INCENTIVE FOR THE YEAR ENDED 30 JUNE 2021 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – HOWARD RAE

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, in accordance with the Incentive Performance Rights Plan approved by Shareholders on 25 November 2020, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 320,825 Performance Rights to Howard Rae (or his nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Howard Rae (or his nominee)) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 27 October 2021

By order of the Board

Howard Rae
Executive Director - Finance and Company Secretary

Voting entitlements

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 pm (WST) on Wednesday, 24 November 2021.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Shareholders are currently expected to be able to attend the Meeting in person whilst following COVID-19 safe practices at the Meeting. Shareholders are encouraged to allow additional time for these COVID-19 safe practices. Whilst Shareholders are expected to be able to attend in person, circumstances relating to the COVID-19 pandemic can change rapidly and the Directors strongly encourage all Shareholders to lodge a directed proxy form prior to the Meeting.

The Company will continue to monitor Federal and State Government restrictions on public gatherings and should either Federal or State Government guidance provide that a physical meeting is inadvisable or not to be held, the Company will advise Shareholders prior to the date of the Meeting via ASX announcement.

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the Meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from Link Market Services will need to verify your identity. You can register from 9:30 am (WST) on the day of the Meeting.

Questions

Shareholders are encouraged to submit questions in respect of the items of business as well as general questions in respect of the Company and its operations in advance of the Meeting by email to the Company at info@ecograf.com.au.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company via email at info@ecograf.com.au.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.ecograf.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

In recognition of the impact on shareholders of the COVID-19 containment measures globally, the Directors waived their fees and executives reduced their salaries by up to 50% for the three months to 30 June 2020 and all Directors and executives agreed to reduce their fees and salaries by 20% for the six months to 31 December 2020.

1.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will

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cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

1.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this annual general meeting.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ROBERT PETT

2.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Robert Pett, who has served as a Non-Executive Director since 9 November 2015 and was last re-elected on 29 November 2019, retires by rotation and seeks re-election.

2.2 Qualifications and other material directorships

Robert Pett is a minerals economist with over 30 years' experience working in exploration and mining. During this time, he has worked internationally in the resources sector at senior levels both in Australia and Africa. He has been involved with listed companies at all levels, from grass-roots exploration through to mine development, production and financing of more than ten mining projects globally including East and West Africa and the construction of the Golden Pride Gold Mine in Tanzania.

He was founding Chairman of Resolute Mining Limited (gold mines and exploration Africa and Australia), Sapphire Mines Limited (gemstone mining and exploration), Reliance Mining Limited (nickel mining Kambalda), Senex Energy Limited (petroleum production and exploration) and director of several other mining and exploration companies operating in Africa, Asia and Australia in gold, base metals, petroleum and uranium.

Robert has also had an active involvement in education and community activities including over 10 years' service to Murdoch University Western Australia as Senator and Chairman of their Resources (Finance) Committee.

2.3 Independence

If re-elected the Board considers Mr Pett will be an independent Director.

2.4 Board recommendation

The Board has reviewed Mr Pett's performance since his appointment to the Board and considers that Mr Pett's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Pett and recommends that Shareholders vote in favour of Resolution 2.

3. RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULES 7.1 AND 7.1A – FEBRUARY 2021 PLACEMENT SHARES

3.1 General

On 19 February 2021, the Company issued a total of 90,996,691 Shares at an issue price of \$0.60 per Share to raise \$54,598,015 (**Placement Shares**) as follows:

- 54,598,015 Shares were issued pursuant to the Company existing placement capacity under ASX Listing Rule 7.1 (ratification of which is being sought under Resolution 3); and
- 36,398,676 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 25 November 2020 under ASX Listing Rule 7.1A (ratification of which is being sought under Resolution 4).

Canaccord Genuity (Australia) Limited (AFSL 234666) acted as Lead Manager and assisted the Company in relation to the issue of the Placement Shares and was paid a fee of 5.50% of the proceeds they raised.

3.2 ASX Listing Rule 7.1

Subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Placement Shares does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Shares.

3.3 ASX Listing Rule 7.4

Listing Rule 7.4 allows shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to be approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 4 and 5 seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Placement Shares.

3.4 Technical information required by Listing Rule 14.1A

If Resolutions 3 and 4 are passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7., effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date of the Placement Shares.

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If Resolutions 3 and 4 are not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date of the Placement Shares.

3.5 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 3 and 4:

- (a) the Shares were issued to institutional, sophisticated and professional investors who were either eligible existing shareholders of the Company or clients of the Lead Manager noted in Section 3.1 above;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company, apart from the following investors:

| Investor | Number of Placement Shares |
|--|-----------------------------------|
| Paradise Investment Management Pty Ltd | 23,158,900 |
| Allianz SE and its associates | 23,204,167 |

- (c) a total of 90,996,691 Shares were issued as follows:
 - (i) 54,598,015 Shares pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1 (ratification of which is being sought pursuant to Resolution 3); and
 - (ii) 36,398,676 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 25 November 2020 under ASX Listing Rule 7.1A (ratification of which is being sought pursuant to Resolution 4);
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Shares were issued on 19 February 2021;
- (f) the issue price was \$0.60 per Placement Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares;

- (g) the purpose of the issue of the Placement Shares was to raise \$54,598,015 (prior to costs), to fund the following:
- Construction and operational commissioning of the first phase of the battery anode material purification facility in Western Australia;
 - Advancement of the battery anode material recycling programs;
 - Finalisation of debt financing arrangements for the Epanko graphite mine;
 - Product development; and
 - General working capital.
- (h) the Placement Shares were not issued under an agreement; and
- (i) a voting exclusion statement has been included for the Resolutions.

4. RESOLUTIONS 5 AND 6 – EQUITY SETTLED SHORT-TERM INCENTIVE FOR THE YEAR ENDED 30 JUNE 2021 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTORS – MESSRS ANDREW SPINKS AND HOWARD RAE

4.1 General

In accordance with the Incentive Performance Rights Plan approved by Shareholders at the annual general meeting held on 25 November 2020, the Company is seeking shareholder approval pursuant to Listing Rule 10.14 to grant of 641,650 Performance Rights as an equity-settled short-term incentive for the financial year ended 30 June 2021 (**FY21**), to Messrs Andrew Spinks and Howard Rae (or their nominees) (**Related Parties**) on the terms and conditions of the Incentive Performance Rights Plan and as set out below (**Performance Rights**).

| Related Party | Position | Resolution | Number of Performance Rights |
|---------------|------------------------------|--------------|------------------------------|
| Andrew Spinks | Managing Director | Resolution 5 | 320,825 |
| Howard Rae | Executive Director – Finance | Resolution 6 | 320,825 |

The objective of the Incentive Performance Rights Plan is to assist the Company with the recruitment, reward, retention and incentivisation of key personnel who possess the necessary skills and experience to enable the Company to effectively develop its graphite businesses and to grow long-term shareholder value.

The Company is at a critical stage of growth as it advances the new EcoGraf™ Battery Anode Material Facility and the Epanko Graphite Mine to development and operations. The international graphite industry is evolving rapidly to support the use of graphite in lithium-ion batteries for electric vehicles and the retention of specialised skills is essential to the Company's future success.

To achieve this outcome, the Company believes that incentivising and rewarding performance and the achievement of key objectives through equity arrangements is the most effective remuneration structure because it preserves the Company's cash resources and aligns the interests of personnel with those of all shareholders.

4.2 Short-term incentive arrangements

Under the short-term incentive arrangements, eligible participants may earn Performance Rights for the achievement of pre-determined key performance measures each year, with the determination of the amount, if any, made after the end of each year, by multiplying the individual's assessed key performance score by the applicable percentage of their fixed annual remuneration.

The number of Performance Rights, if any, to be earned under the short-term incentive will be calculated by dividing the short-term incentive amount by the volume weighted average price of the Company's shares during the applicable financial year. This approach ensures that the equity settled short-term incentive value reflects the price of the Company's shares over the entire period during which the short-term incentive is earned by the participant.

To promote alignment and retention, if any Performance Rights are allocated, the individual will not be able to dispose of the shares received on exercise of the Performance Rights for a period of 12 months from the end of the financial year for which they were awarded. As a result, eligible participants are unable to access any short-term incentive remuneration benefit until at least 12 months after that remuneration is earned.

Upon exercise, each Performance Right will entitle the eligible participant to receive one ordinary share in the Company.

4.3 Equity settled short-term incentive for the year ended 30 June 2021

The performance of Mr Spinks, Managing Director and Mr Rae, Executive Director – Finance during the year ended 30 June 2021 was assessed against key performance measures that covered the following areas:

- (a) Business development (corporate and project development, product sales, financing and investment, feasibility and engineering studies, early works programs and industry collaboration);
- (b) Financial management (cash management and cost control, capital markets programs and industry funding);
- (c) Organisational development (business capacity and resilience, human resource management and operating procedures); and
- (d) Innovation and continuous improvement (process and product development, research partnerships, new technologies and markets).

Under the short-term incentive arrangements, Messrs Spinks and Rae are eligible for a short-term incentive award of up to \$142,350, being 40% of their fixed annual remuneration. After conducting a review of executive performance for the year ended 30 June 2021, Messrs Spinks and Rae have been awarded their full short-term incentive entitlement for their outstanding contribution to the Company's success during the year, a period in which EcoGraf Limited has transformed to a development ready battery anode material supplier.

The short-term incentive amount of \$142,350 is to be equity-settled through the issue of Performance Rights, calculated by reference to the volume weighted average market price (**VWAP**) of Shares traded on ASX during the year ended 30 June 2021, being \$0.4437. This equates to 320,825 Performance Rights as summarised below:

| Related Party | Resolution | Value of short-term incentive | Number of Performance Rights |
|---------------|--------------|-------------------------------|------------------------------|
| Andrew Spinks | Resolution 5 | \$142,350 | 320,825 |
| Howard Rae | Resolution 6 | \$142,350 | 320,825 |

Subject to continuous service under their employment contracts, the Performance Rights will vest with Messrs Spinks and Rae on 30 June 2022.

Under the terms of the short-term incentive scheme, Messrs Spinks and Rae will not be able to dispose of any Shares received on exercise of the Performance Rights until after 30 June 2022.

4.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Spinks who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the issue of Performance Rights the subject of Resolution 5 was reached as part of the annual remuneration package for the year ended 30 June 2021 for Mr Spinks, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Rae who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the issue of Performance Rights the subject of Resolution 6 was reached as part of the annual remuneration package for the year ended 30 June 2021 for Mr Rae, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

4.5 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or

- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Performance Rights to each of the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 5 and 6 seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

4.6 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Performance Rights to Messrs Spinks and Rae under the Incentive Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 and 46 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to Messrs Spinks and Rae under the Incentive Performance Rights Plan and Messrs Spinks and Rae will instead receive a cash payment equivalent in value to the short-term incentive that would have been granted had shareholder approval been obtained.

4.7 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Performance Rights will be issued to the Related Parties as follows:
- (i) Andrew Spinks (or his nominee) pursuant to Resolution 5; and
 - (ii) Howard Rae (or his nominee) pursuant to Resolution 6,
- each of whom falls within the category set out in Listing Rule 10.14.1, by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to the Related Parties, based on the VWAP of the Company's Shares traded on ASX during the year ended 30 June 2021 is:
- (i) 320,825 Performance Rights to Mr Andrew Spinks (Resolution 5); and
 - (ii) 320,825 Performance Rights to Mr Howard Rae (Resolution 6).
- (c) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

| Related Party | Current Financial Year Ending 30 June 2022 | | Previous Financial Year Ended 30 June 2021 | |
|------------------------------|---|-------------------------------------|---|------------------------|
| | Salary and super | Share-based payment ⁶ | Salary and super | Share-based payment |
| Andrew Spinks (Resolution 5) | \$355,875 | \$142,350 ¹ | \$321,519 ² | \$559,125 ⁴ |
| Howard Rae (Resolution 6) | \$355,875 | \$142,350 ¹ | \$329,848 ³ | \$559,125 ⁵ |

Notes:

1. Equity settled short-term incentive earned for the year ended 30 June 2021 in accordance with Section 4.3 above.
 2. Comprising a salary of \$295,023 and superannuation of \$25,000 and reflecting that Mr Spinks voluntarily agreed to reduce his salary by 20% for the 6 months ended 31 December 2020.

Mr Spinks also voluntarily agreed to reduce his salary by 50% for the 3 months ended 30 June 2020.
 3. Comprising a salary of \$305,600 and superannuation of \$24,000 and reflecting that Mr Rae voluntarily agreed to reduce his salary by 20% for the 6 months ended 31 December 2020.

Mr Rae also voluntarily agreed to reduce his salary by 30% for the 3 months ended 30 June 2020.
 4. Comprising 1,775,000 Performance Rights issued as a long-term incentive to Mr Spinks granted on 20 January 2021 and approved by shareholders on 25 November 2020.
 5. Comprising 1,775,000 Performance Rights issued as a long-term incentive to Mr Rae granted on 20 January 2021.
 6. Subject to their performance against key performance measures, each of Messrs Spinks and Rae may be entitled to earn a short-term incentive for the year ending 30 June 2022 in accordance with Section 4.2 above, in the form of Performance Rights of an amount equal to a maximum of 40% of his fixed annual remuneration, although there is no certainty that any short-term incentive will be earned by Messrs Spinks or Rae.
- (d) under the Incentive Performance Rights Plan, 1,775,000 Performance Rights have been previously issued to each of Andrew Spinks and Howard Rae.
- (e) a summary of the material terms and conditions of the Performance Rights is set out in Schedule 2;
- (f) the Performance Rights are unquoted performance rights. The Company has chosen to offer Performance Rights to the Related Parties because:
- (i) the issue of Performance Rights Plan assists the Company with the reward, retention and incentivisation of Messrs Spinks and Rae, who possess the necessary skills and experience to enable the Company to effectively develop its graphite businesses and to grow long-term shareholder value;
 - (ii) the Company is at a critical stage of growth as it advances the new EcoGraf™ Battery Anode Material Facility and the Epanko Graphite Mine to development and operations, with the international graphite industry evolving rapidly to support the use of graphite in lithium-ion batteries for electric vehicles and the retention of specialised skills is essential to the Company's future success;

- (iii) the Company believes that incentivising and rewarding performance and the achievement of key objectives through Performance Rights equity arrangements is the most effective remuneration structure because it preserves the Company's cash resources and aligns the interests of Messrs Spinks and Rae with those of all shareholders;
- (iv) the use of Performance Rights is typically less dilutionary than options and because the Performance Rights are unlisted, there is no dilutionary impact on Shareholders until, if and when the vesting conditions are achieved, in which case all Shareholders will share in the benefits resulting from the Company achieving its strategic business objectives; and
- (v) the issue of the Performance Rights enables the Company to provide cost-effective incentive remuneration to Messrs Spinks, and Rae that is consistent with equity remuneration arrangements offered by similar listed companies at the same stage of development.
- (g) based on the market price of the Company's Shares as at 12 October 2021, the face value of each Performance Right is 61 cents;
- (h) the Performance Rights will be issued to the Related Parties (or their nominees) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued on a single date;
- (i) the issue price of the Performance Rights will be nil;
- (j) a summary of the material terms and conditions of the Incentive Performance Rights Plan is set out in Schedule 1;
- (k) no loan is being made to the Related Parties in connection with the acquisition of the Performance Rights;
- (l) details of any Performance Rights issued under the Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Incentive Performance Rights Plan after Resolutions 5 and 6 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means EcoGraf Limited (ACN 117 330 757).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.



Incentive Performance Rights Plan means the incentive performance rights plan summarised in Schedule 1.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions.

Placement Shares has the meaning given in Section 3.1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

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SCHEDULE 1 – TERMS AND CONDITIONS OF INCENTIVE PERFORMANCE RIGHTS PLAN

The material terms and conditions of the Incentive Performance Rights Plan (**Incentive Performance Rights Plan**) are summarised below:

- (a) **Eligibility:** Participants in the Incentive Performance Rights Plan may be:
- (i) a Director (whether executive or non-executive) of the Company or any associated body corporate (as defined in the Incentive Performance Rights Plan) of the Company (each, a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Performance Rights under the Incentive Performance Rights Plan (**Eligible Participant**).
- (b) **Offer:** The Board may, from time to time, at its absolute discretion, make a written offer to any Eligible Participant to apply for Performance Rights, upon the terms set out in the Incentive Performance Rights Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Consideration:** Performance Rights granted under the Incentive Performance Rights Plan will be issued for nil cash consideration.
- (e) **Vesting conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right (**Vesting Conditions**).
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a **Participant** (being an Eligible Participant to whom Performance Rights have been granted under the Incentive Performance Rights Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) special circumstances arising in relation to an Eligible Participant in respect of those Performance Rights, being:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total and permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
- (B) a Relevant Person suffering severe financial hardship;
- (C) any other circumstance stated to constitute "special circumstances" in the terms of the relevant offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(Special Circumstances), or

- (ii) a change of control occurring; or
- (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

(g) **Cash Equivalent Value Facility**

- (i) Subject to the Corporations Act, the Listing Rules, the Incentive Performance Rights Plan and the terms of any offer, where all Vesting Conditions in respect of a Performance Right have been satisfied or waived, the Board may, in its absolute discretion, within 10 Business Days of receipt of a valid notice of exercise for a vested Performance Right, in lieu of issuing or transferring a Share to the Participant on exercise of the Performance Right, pay the Participant or his or her personal representative (as the case may be) a Cash Equivalent Value for the Performance Right exercised.
- (ii) A vested Performance Right automatically lapses upon payment of a Cash Equivalent Value in respect of the vested Performance Right.

(h) **Lapse of a Performance Right:** A Performance Right will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Performance Right occurring;
- (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iii) in respect of an unvested Performance Right only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its

discretion to vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;

- (iv) in respect of vested Performance Rights only, a Relevant Person ceases to be an Eligible Participant and the Performance Rights granted in respect of that Relevant Person are not exercised within three (3) months (or such later date as the Board determines) of the date that Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to evidence of fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) in respect of an unvested Performance Right, the Company undergoes a change of control or a winding up resolution or order is made, and the Performance Right does not vest; and
 - (vii) the expiry date of the Performance Rights.
- (i) **Not transferrable:** A Performance Right is not transferrable unless Special Circumstances (as defined in the Performance Rights Plan) apply and with the prior written consent of the Board (which may be withheld in its absolute discretion), or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.
 - (j) **Shares:** Shares resulting from the vesting of the Performance Rights shall, subject to any sale restrictions (refer to paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
 - (k) **Sale restrictions:** the offer of Performance Rights may specify that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
 - (l) **Quotation of Shares:** If Shares of the same class as those issued under the Incentive Performance Rights Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends. The Company will not apply for quotation of any Performance Rights on the ASX.
 - (m) **Deferral of conversion if resulting in a prohibited acquisition of Shares:** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and

(ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (m)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(n) **No participation rights:** There are no participation rights or entitlements inherent in the Performance Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.

(o) **No change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.

(p) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.

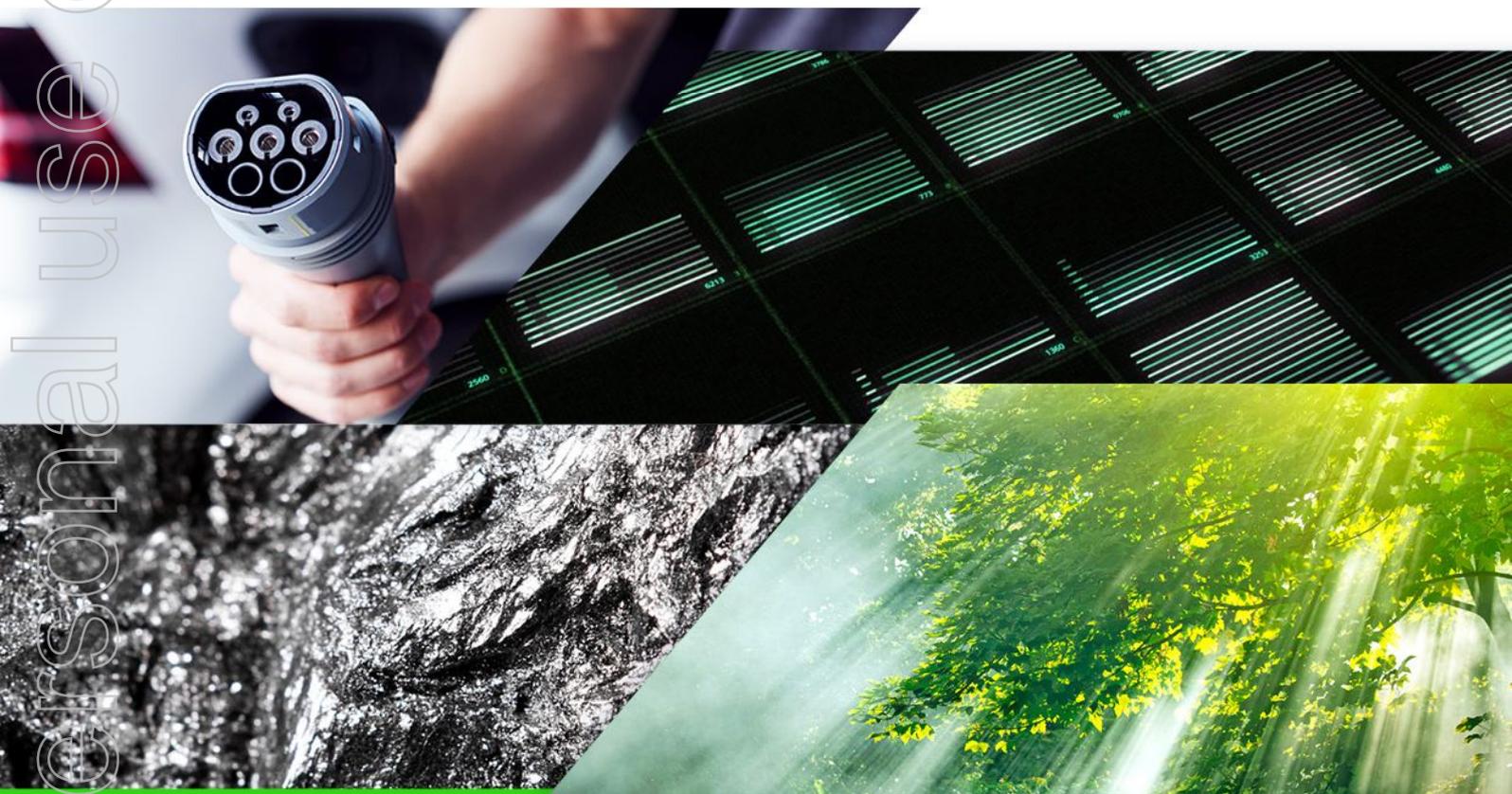
(q) **Amendments:** Subject to express restrictions set out in the Incentive Performance Rights Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Incentive Performance Rights Plan, or the terms or conditions of any Performance Rights granted under the Incentive Performance Rights Plan including giving any amendment retrospective effect.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the short-term incentive Performance Rights that are proposed to be issued to Messrs Spinks and Rae for the year ended 30 June 2021 is set out below:

- **Vesting Condition:** subject to continuous service under the holder's employment contract, the Performance Rights will vest on 30 June 2022.
- **Notification to holder:** The Company shall notify the holder in writing when the Vesting Condition has been satisfied.
- **Conversion:** Upon vesting, each Performance Right will, at the election of the holder, convert into one Share or, at the Board's discretion, the payment of a Cash Equivalent Value.
- **Expiry Date:** Each Performance Right shall expire six (6) years after the date of issue.
- **Application to ASX:** The Performance Rights will not be quoted on the ASX. The Company must apply for the official quotation of the Shares issued on conversion of the Performance Rights within the time period required by the Listing Rules.
- **Reorganisation of capital:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable Listing Rules and the Corporations Act at the time of reorganisation.
- **Dividend and voting rights:** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- **Change in control:** Subject to deferral of conversion if such conversion would result in a contravention of section 606(1) of the Corporations Act, upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies; or
 - (iii) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,the Vesting Condition (unless an Offer provides otherwise) is deemed to be automatically waived.
- **Plan:** The terms of the Performance Rights are supplemented by and are otherwise on the terms of the Company's Incentive Performance Rights Plan (summarised in Schedule 1).

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ASX: EGR **FSE:** FMK **OTCOX:** ECGFF

www.ecograf.com.au



LODGE YOUR VOTE

-  **ONLINE**
www.linkmarketservices.com.au
-  **BY MAIL**
EcoGraf Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
-  **BY FAX**
+61 2 9287 0309
-  **BY HAND**
Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000
-  **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of EcoGraf Limited and entitled to participate in and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (WST) on Friday, 26 November 2021 at The Celtic Club, 48 Ord Street, West Perth, Western Australia (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 5 & 6: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 5 & 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

| Resolutions | For | Against | Abstain* | For | Against | Abstain* |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report | <input type="checkbox"/> |
| 2 Re-election of Director – Robert Pett | <input type="checkbox"/> |
| 3 Ratification of Prior Issue of Shares Under Listing Rule 7.1 – February 2021 Placement Shares | <input type="checkbox"/> |
| 4 Ratification of Prior Issue of Shares Under Listing Rule 7.1a – February 2021 Placement Shares | <input type="checkbox"/> |
| 5 Equity Settled Short-Term Incentive for the year ended 30 June 2021 – Issue of Performance Rights to Director – Andrew Spinks | <input type="checkbox"/> |
| 6 Equity Settled Short-Term Incentive for the year ended 30 June 2021 – Issue of Performance Rights to Director – Howard Rae | <input type="checkbox"/> |

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual) Joint Shareholder 2 (Individual) Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary Director/Company Secretary (Delete one) Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



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STEP 1

STEP 2

STEP 3

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to participate in the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to participate in the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (WST) on Wednesday, 24 November 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

EcoGraf Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

Deliver it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions

**IF YOU WOULD LIKE TO PARTICIPATE IN AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR PARTICIPATION.**



27 October 2021

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING

EcoGraf Limited (ACN 117 330 757) ("**EcoGraf**" or the "**Company**") (ASX: **EGR**) is convening its Annual General Meeting on Friday, 26 November 2021 at 10:00 am (AWST).

In accordance with the *Treasury Laws Amendment (2021 Measures No 1) Act 2021*, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting and Annual Report can be viewed and downloaded from the Company's website at https://www.ecograf.com.au/investor_categories/announcements/.

As you have not elected to receive notices by email, a copy of your personalised Proxy Form is enclosed for your convenience. Shareholders are encouraged to submit their proxy vote online or by returning the form in accordance with the instructions on the Proxy Form.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the meeting. Your proxy vote must be received by 10:00 am (AWST) on Wednesday, 24 November 2021 and any proxy vote received after that time will not be valid for the meeting.

The Company will hold a physical meeting with appropriate social distancing measures in place to comply with Federal and State Government restrictions on public gatherings. Should either Federal or State Government guidance provide that a physical meeting is inadvisable or not to be held, the Company will advise Shareholders prior to the date of the meeting via ASX announcement.

The Notice of Meeting should be read in its entirety. If you are in doubt as to how you should vote, please seek advice from your professional advisers prior to voting. If you have any questions about the meeting and voting arrangements, please email the Company at info@ecograf.com.au.

Yours sincerely
EcoGraf Limited

Howard Rae
Executive Director – Finance and Company Secretary